

Message Text

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ORIGIN COME-00

INFO OCT-01 IO-13 ISO-00 SSO-00 ICAE-00 INRE-00
AGRE-00 CEA-01 EB-08 FRB-03 H-01 INR-10 INT-05
L-03 LAB-04 NSAE-00 PA-01 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 SP-02 SOE-02 OMB-01 DOE-15
AF-10 ARA-10 EA-10 EUR-12 NEA-10 OIC-02 /152 R

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-----006648 132308Z /61

O R 132138Z JUL 78
FM SECSTATE WASHDC
TO USMISSION GENEVA IMMEDIATE
INFO CIA WASHDC 0000
NSC WASHDC 0000
DOD

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FOR MTN

E.O. 11652: N/A

TAGS: ETRD, MTN

SUBJECT: U.S. REQUESTS FOR IMPROVEMENTS IN NORWAY'S
INDUSTRIAL TARIFF OFFERS ON FORMULA PRODUCTS

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1. THE TRADE POLICY STAFF COMMITTEE HAS APPROVED THE
FOLLOWING PAPER (TPSC 78-98) RE U.S. REQUESTS FOR IMPROVE-
MENTS IN NORWAY'S INDUSTRIAL TARIFF OFFERS ON FORMULA
PRODUCTS. THE ATTACHMENTS WERE PREVIOUSLY SENT TO GENEVA
AS ONE LIST. FOR CONVENIENCE, THIS CABLE LISTS THE ITEMS,
BY NUMBER, WHICH SHOULD BE INCLUDED IN EACH ATTACHMENT.

2. PROBLEM:

(A) NORWAY HAS MADE A FORMULA OFFER TO THE U.S. IN THE MTN. IMPLEMENTATION OF THIS OFFER WOULD RESULT IN NORWAY'S GIVING THE U.S. A SMALLER DEPTH OF CUT THAN THE U.S. WOULD BE GIVING.

(B) THE UNITED STATES NEEDS TO SEEK FROM NORWAY GREATER THAN FORMULA TARIFF CUTS ON INDUSTRIAL PRODUCTS OF SPECIAL INTEREST TO U.S. EXPORTERS TO ACHIEVE AN AVERAGE NORWEGIAN DEPTH OF CUT EQUAL TO THAT OFFERED BY THE U.S. ON FORMULA PRODUCTS.

3. RECOMMENDATIONS:

(A) THE U.S. REPRESENTATIVE SHOULD GIVE THE NORWEGIAN DELEGATION THE ATTACHED LIST OF U.S. REQUESTS FOR IMPROVEMENT IN THE NORWEGIAN TARIFF OFFER (ATTACHMENT 1), DRAWING ON THE BACKGROUND SECTION AS APPROPRIATE IN PRESENTING THE LIST.

(B) THE U.S. REPRESENTATIVE SHOULD NOTE THAT THE U.S. EXPECTS NORWAY, AS A FORMULA DEVELOPED COUNTRY, TO OFFER THE U.S. AN EQUIVALENT DEPTH OF CUT TO THAT OFFERED NORWAY BY THE U.S. MOREOVER, THE EXCEPTIONS DETAILED IN NORWAY'S MAY OFFER INCLUDE A FEW ITEMS OF PRIORITY INTEREST TO U.S. INDUSTRY. AMONG THOSE ITEMS (ATTACH-

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MENT 3), THE U.S. WOULD WISH TO SEE A MAINTENANCE OF THE FORMULA REDUCTION FOR SOME PRODUCTS AND GREATER-THAN-FORMULA CUTS FOR OTHERS.

4. DISCUSSION:

(A) IN JANUARY 1978, NORWAY TOGETHER WITH FINLAND AND SWEDEN OFFERED IN THE MTN TO APPLY A FORMULA OF Z EQUALS 16X OVER X PLUS 16. AT THAT TIME NORWAY NOTED THAT A MORE COMPLETE OFFER WOULD BE TABLED AT A LATER DATE AND THAT THE OFFER MIGHT CONTAIN EXCEPTIONS. IN MAY 1978, NORWAY TABLED A DETAILED FORMULA OFFER ON INDUSTRIAL PRODUCTS.

(B) A STRAIGHT FORMULA CUT BY NORWAY WITH NO EXCEPTIONS WOULD HAVE RESULTED IN AN AVERAGE DEPTH OF CUT TO THE U.S. OF 34.7 PERCENT. THE REVISED NORWEGIAN OFFER WHICH INCLUDES EXCEPTIONS RESULTS IN AN ESTIMATED AVERAGE DEPTH OF CUT TO THE U.S. OF 35.2 PERCENT. (DIFFERENCES OF BASES BETWEEN THE U.S. AND THE NORWEGIAN CALCULATIONS PROBABLY ACCOUNT FOR THE GREATER DEPTH OF CUT AFTER EXCEPTIONS.) IF THE CURRENT U.S. OFFER IS MAINTAINED, THE AVERAGE DEPTH OF CUT TO NORWAY WOULD BE 53.8 PERCENT.

SINCE NORWAY IS A FORMULA DEVELOPED COUNTRY, THE U.S.
IS SEEKING AN EQUIVALENT DEPTH OF CUT.

(C) THE U.S. REQUEST LISTS FOR IMPROVEMENTS (ATTACHMENT
1) AND MAINTENANCE (ATTACHMENT 2) REPRESENT A SERIOUS
EFFORT TO IDENTIFY U.S. PRIORITY EXPORT INTERESTS ON
INDUSTRIAL PRODUCTS IN THE NORWEGIAN MARKET. THE LIST
HAS BEEN DISCUSSED WITH INDUSTRY ADVISORS AND REVIEWED BY
U.S. GOVERNMENT ANALYSTS TO ENSURE THAT THE CONCESSIONS
SOUGHT WOULD RESULT IN IMPROVED U.S. TRADE OPPORTUNITIES.
THE ITEMS IN ATTACHMENT 1 CAN BE GIVEN TO NORWAY AS U.S.
INTERESTS IN GREATER-THAN-FORMULA CUTS. THOSE IN ATTACH-
MENT 2 MAY BE USED BY THE DELEGATION FOR DISCUSSION
SHOULD THE NORWEGIANS WITHDRAW THEIR OFFERS.

(D) THE LISTS INCLUDE PRODUCTS SUCH AS PAPER AND PAPER
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BOARD, STOVES, REFRIGERATORS, SOME HEAVY MACHINERY,
ENGINE PARTS AND TAPS, COCKS AND VALVES.

(E) IF NORWAY WERE TO IMPLEMENT THEIR CURRENT OFFER,
INCLUDING EXCEPTIONS, AND INCLUDE OUR REQUESTS FOR
GREATER-THAN-FORMULA REDUCTIONS, THE RESULTING AVERAGE
DEPTH OF CUT BASED ON U.S. TRADE WOULD BE CLOSE (56.0
PERCENT) TO THE VALUE OF THE U.S. OFFER TO NORWAY (53.8
PERCENT AS OF JANUARY 23).

(F) THE NORWEGIAN EXCEPTIONS INCLUDE A FEW ITEMS WHICH
THE U.S. CONSIDERS TO BE OF PRIORITY INTEREST -- EITHER
FOR MAINTENANCE IN THE OFFER AS A FORMULA ITEM OR FOR
GREATER-THAN-FORMULA REDUCTIONS. THESE ITEMS (ATTACH-
MENT 3) REMAIN OF INTEREST AND WE WILL WISH TO DISCUSS
THE POSSIBILITY OF THEIR INCLUSION IN THE NORWEGIAN
OFFER.

5. ATTACHMENT 1 - U.S. REQUESTS FOR IMPROVEMENT IN
THE NORWEGIAN TARIFF OFFER

B TN/NAT

2914 1920

3901 3500

3901 5000

3901 7090

3902 1110

3902 1200

3903 4000

3907 2310

3907 9090

4012 1000

4012 9000

4415 2190

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4801 9000
5509 6230
5607 2130
5607 2140
5804 5000
6202 3550
6804 2020
6909 1090
7336 1510
7336 1590
7336 3510
7336 3590
7336 6000
7602 3090
8203 4900
8204 3900
8205 1040
8205 8090
8402 3050
8405 9020
8406 1500
8406 2100
8406 2900
8406 5000
8406 7030
8406 7080
8406 9910
8406 9990
8408 1900
8408 8100
8408 9100
8408 9300
8410 1000
8410 3000
8410 4090
8410 7050

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8410 9010
8411 2030
8411 3080
8411 4030
8412 0000
8415 1110
8415 1190

8415 1310
8415 1390
8415 1420
8415 1480
8415 3000
8415 4000
8415 8000
8419 1000
8419 2000
8422 3000
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8423 2010
8423 8020
8423 8040
8423 8080
8423 9010
8423 9030
8423 9090
8449 1080
8449 2030
8452 4000
8453 0000
8454 8090
8455 3000
8459 3300

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8461 3010
8461 3020
8461 3090
8461 7000
8463 2020
8511 3090

8511 9090
8514 1000
8514 2000
8514 3000
8515 1010
8515 1090
8515 4410
8515 4490
8515 4510
8515 4590
8515 7010
8515 9020
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8515 9040
8515 9050

8519 5200
8519 5910
8519 5990
8521 6100
8521 6200
8521 6300
8521 6900
8521 7010
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8702 3180
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8702 6090
8703 0000

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8805 0000
8901 8030
8901 8040
8901 8050
8901 8060
8901 8070
8903 0000
9014 1000
9024 9090
9028 1010
9028 1090
9028 3000

9028 9050
9028 9090
9029 0060
9029 0080
9211 2090
9304 3010
9304 3020
9306 9010
9307 3020
9307 3050
9704 1000
9706 9090
9707 0040

6. ATTACHMENT 2: U.S. REQUESTS FOR THE MAINTENANCE OF
NORWEGIAN TARIFF OFFERS

B TN/NAT

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2904 8100
2914 3900
2914 9000
2930 0000
3209 1100
3209 1400
3209 1910
3209 1930
3209 1990
3209 2000
3209 3000
3209 4000
3209 5000
3209 7010
3209 7090
3209 8090
3901 7060
3902 1150
3902 2000
3902 3110
3902 5000
3902 7040
3902 7040
3902 7060
3902 7070
3902 7090
3903 7030
4801 8080
4807 0010
4807 5000
4821 7000

8405 2000
8406 7090
8406 9100
8408 1100

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8408 9900
8411 2080
8411 3020
8411 4010
8411 4020
8411 9160
8415 1810

8415 1890
8415 2010
8415 2090
8415 9100
8415 9910
8415 9920
8417 4090
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8418 5000
8418 9990
8422 8080
8422 9090
8451 2100
8451 2810
8451 2890
8452 2800
8454 1000
8461 4090
8463 3000
8463 4000
8463 5020
8463 5030
8501 1200
8501 1410
8501 1440
8501 1450

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8501 2000
8506 1000
8506 2000
8506 3000
8506 4100
8506 4900
8506 8000
8514 9010
8514 9090
8518 1020
8519 1090
8519 6300
8519 8000
8521 3100
8521 3200
8521 3900
8521 5000
8521 7020
8521 9010
8521 9090
8702 3120
8702 3130

8702 3820
8702 3830
8702 6030
8706 2090
8801 0000
8803 0000C
9017 9090
9101 0010
9101 0020
9101 0090
9211 2050
9213 1000
9213 9000

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7. ATTACHMENT 3

PRIORITY ITEMS INCLUDED IN NORWAY'S EXCEPTIONS

GREATER-THAN FORMULA

B TN/NAT

4801 9000
6202 3530
8453 0000
8514 3000
8515 7010
8805 0000
8901 8030
8040
8050
8901 8060
8070
8903 0000
9028 1010
1090
3000
9050
9090

MAINTENANCE

3907 2310
9090
4012 1000
7336 1510
1590
3510
3590

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6000
7602 3090
8203 4900
8204 3900
8461 3100
8514 2000
8515 4410
4490
4510
4590
9020
9030
9050 CHRISTOPHER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TARIFFS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE177361
Document Source: CORE
Document Unique ID: 00
Drafter: R.OLIVER:SMS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780288-0087
Format: TEL
From: STATE
Handling Restrictions: n/a
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Legacy Key: link1978/newtext/t19780762/aaaacant.tel
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Litigation History:
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 10
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
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Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Event:
Review Exemptions: n/a
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Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2015847
Secure: OPEN
Status: NATIVE
Subject: U.S. REQUESTS FOR IMPROVEMENTS IN NORWAY'S INDUSTRIAL TARIFF OFFERS ON FORMULA PRODUCTS LIMITED OFFICIAL USE
TAGS: ETRD, MTN
To: GENEVA
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/a53bda75-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014